
SENATE BILL 6560

State of Washington 60th Legislature 2008 Regular Session

By Senators Honeyford, Morton, Delvin, and Swecker

Read first time 01/18/08. Referred to Committee on Water, Energy & Telecommunications.

1 AN ACT Relating to public utility district contracts; and amending
2 RCW 54.04.070 and 54.04.082.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 54.04.070 and 2002 c 72 s 2 are each amended to read
5 as follows:

6 Any item, or items of the same kind of materials, equipment, or
7 supplies purchased, the estimated cost of which is in excess of ten
8 thousand dollars, exclusive of sales tax shall be by contract:
9 PROVIDED, That a district may make purchases of the same kind of items
10 of materials, equipment and supplies not exceeding five thousand
11 dollars in any calendar month without a contract, purchasing any excess
12 thereof over five thousand dollars by contract. Any work ordered by a
13 district commission, the estimated cost of which is in excess of ten
14 thousand dollars exclusive of sales tax, shall be by contract, except
15 that a district commission may have its own regularly employed
16 personnel perform work which is an accepted industry practice under
17 prudent utility management without a contract. Prudent utility
18 management means performing work with regularly employed personnel
19 utilizing material of a worth not exceeding fifty thousand dollars in

1 value without a contract: PROVIDED, That such limit on the value of
2 material being utilized in work being performed by regularly employed
3 personnel shall not include the value of individual items of equipment
4 purchased or acquired and used as one unit of a project. For district
5 commissions in counties where fewer than two qualified bidders are
6 located, prudent utility management means performing work with
7 regularly employed personnel utilizing material of a worth not
8 exceeding two hundred thousand dollars in value without a contract.

9 Before awarding such a contract, the commission shall publish a notice
10 once or more in a newspaper of general circulation in the district at
11 least thirteen days before the last date upon which bids will be
12 received, inviting sealed proposals for the work or materials; plans
13 and specifications of which shall at the time of the publication be on
14 file at the office of the district subject to public inspection. Any
15 published notice ordering work to be performed for the district shall
16 be mailed at the time of publication to any established trade
17 association which files a written request with the district to receive
18 such notices. The commission may at the same time and as part of the
19 same notice, invite tenders for the work or materials upon plans and
20 specifications to be submitted by the bidders.

21 All contract projects equal to or in excess of one hundred thousand
22 dollars shall be let by competitive bidding unless the public utility
23 district lets contracts using the small works roster process under RCW
24 39.04.155.

25 Whenever equipment or materials required by a district are held by
26 a governmental agency and are available for sale but such agency is
27 unwilling to submit a proposal, the commission may ascertain the price
28 of such items and file a statement of such price supported by the sworn
29 affidavit of one member of the commission and may consider such price
30 as a bid without a deposit or bond.

31 The commission may waive the competitive bidding requirements of
32 this section pursuant to RCW 39.04.280 if an exemption contained within
33 that section applies to the purchase or public work.

34 **Sec. 2.** RCW 54.04.082 and 2002 c 72 s 1 are each amended to read
35 as follows:

36 For the awarding of a contract to purchase any item, or items of
37 the same kind of materials, equipment, or supplies in an amount

1 exceeding ten thousand dollars per calendar month, but less than fifty
2 thousand dollars per calendar month, exclusive of sales tax, the
3 commission may, in lieu of the procedure described in RCW 54.04.070 and
4 54.04.080 requiring public notice to invite sealed proposals for such
5 materials, equipment, or supplies, pursuant to commission resolution
6 use the process provided in RCW 39.04.190. Waiver of the deposit or
7 bid bond required under RCW 54.04.080 may be authorized by the
8 commission in securing such bid quotations.

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